

SAFETY AND PROFESSIONAL SERVICES

Budget Summary						FTE Position Summary				
Fund	2012-13 Adjusted Base	Request		2013-15 Change Over Base Year Doubled		2012-13	Request		2014-15 Over 2012-13	
		2013-14	2014-15	Amount	%		2013-14	2014-15	Number	%
GPR	\$2,413,200	\$2,412,300	\$2,412,300	- \$1,800	0.0%	1.00	1.00	1.00	0.00	0.0%
FED	1,930,000	1,759,100	1,760,100	- 340,800	- 8.8	18.60	16.60	16.60	- 2.00	- 10.8
PR	48,815,200	47,635,600	47,666,300	- 2,328,500	- 2.4	283.70	273.70	273.70	- 10.00	- 3.5
SEG	13,467,900	7,220,500	7,222,600	- 12,492,700	- 46.4	66.30	20.80	20.80	- 45.50	- 68.6
TOTAL	\$66,626,300	\$59,027,500	\$59,061,300	- \$15,163,800	- 11.4%	369.60	312.10	312.10	- 57.50	- 15.6%

Major Request Items

1. STANDARD BUDGET ADJUSTMENTS

Request a decrease of \$1,420,500 (-\$900 GPR, -\$19,400 FED, -\$1,702,000 PR and \$301,800 SEG) in 2013-14, a decrease of \$1,382,000 (-\$900 GPR, -\$18,400 FED, -\$1,671,300 PR, and \$308,600 SEG) in 2014-15, and a decrease of 2.0 PR positions beginning in 2013-14, to reflect standard adjustments to the DSPS budget. These adjustments include the following: (a) turnover reduction (-\$393,300 PR annually); (b) removal of non-continuing elements (-\$106,200 PR annually, and -2.0 PR positions beginning in 2013-14); (c) full funding of continuing positions (-\$900 GPR, -\$69,800 FED, -\$1,840,300 PR, and -\$32,500 SEG annually); and (d) lease and directed move costs (\$50,400 FED, \$637,800 PR, and \$334,300 SEG in 2013-14, and \$51,400 FED, \$668,500 PR and \$341,100 SEG in 2014-15).

	Funding	Positions
GPR	- \$1,800	0.00
FED	- 37,800	0.00
PR	- 3,373,300	- 2.00
SEG	<u>610,400</u>	<u>0.00</u>
Total	- \$2,802,500	- 2.00

2. TRANSFER PETROLEUM INSPECTION AND TANK PROGRAM TO DATCP

Request \$220,600 PR and -\$151,500 FED annually, -\$5,468,300 petroleum inspection fund SEG in 2013-14 and -\$5,472,900 SEG in 2014-15, and 2.0 PR, -2.0 FED, and -44.5 SEG positions annually to reflect the requested transfer of the petroleum inspection and tank regulation functions to the Department of Agriculture, Trade and Consumer Protection (DATCP). The source of the SEG funding is the 2¢ per gallon petroleum inspection fee, which is deposited in the petroleum inspection fund. The fee is imposed on most gasoline, gasohol, diesel, kerosene, fuel oil and aviation fuel. The petroleum inspection fund is also used for debt service on revenue obligations issued to pay petroleum environmental cleanup fund award

	Funding	Positions
FED	- \$303,000	- 2.00
PR	441,200	2.00
SEG	<u>- 10,941,200</u>	<u>- 44.50</u>
Total	- \$10,803,000	- 44.50

(PECFA) claims, PECFA claims and program administration (which would remain in DSPS under the request), transfers to the transportation fund, environmental programs administered by DNR and other agencies, and major disaster assistance to local governments. (DATCP also requested the transfer of the programs from DSPS to DATCP. The requested funding is shown under the DATCP summary.)

DSPS is currently responsible for the following functions that would be transferred: (a) inspection of petroleum product storage tanks at retail service stations, non-retail locations (such as businesses which maintain tanks for their business fleet), bulk plants, and terminals; (b) inspection of petroleum products that enter the state, including products that enter and leave terminals, retail service stations and other tank locations; (c) operation of nine petroleum labs throughout the state, where staff perform tests on inspected petroleum products; (d) administration of state statutes and administrative rules related to flammable, combustible, and hazardous liquid storage (found in chapter 101 of the statutes and SPS 310 of the administrative code); (e) permitting and registration of aboveground and underground flammable, combustible, and hazardous liquid product storage tanks (petroleum and non-petroleum products); (f) maintenance of the state's database of aboveground and underground flammable, combustible, and hazardous liquid product storage tanks; (g) review of system design plans for storage or dispensing system installation, modification, and upgrade; (h) administration of a credentialing program for businesses and persons required to be certified to work in certain tank specialties (such as persons who install, remove, clean, reline, or test the tightness of tank lines); (i) regulation of the proper closure, removal and abandonment of tank systems; (j) administration of federally-delegated requirements for the construction, maintenance, and abandonment of tanks for the storage, handling or use of federally-regulated hazardous liquids; and (k) administration of contracts with local governments and private entities authorized to inspect tanks on behalf of DSPS.

The 44.5 deleted SEG petroleum inspection and tank positions include 43.5 classified positions and 1.0 unclassified division administrator. The 2.0 deleted FED positions are classified, include a storage tank regulation section chief and environmental program associate, and are currently funded from a U.S. Environmental Protection Agency grant for underground storage tank regulation. DSPS officials indicate they intend that the incumbents in the 2.0 FED positions would be transferred to vacant SEG positions that would be transferred to DATCP. The requested 2.0 PR positions and associated funding would be provided to the Safety and Buildings operations appropriation as a classified bureau director and unclassified division administrator, and would be funded from program revenues from plan review, permit, inspection, and credentialing activities. The Safety and Buildings program administers building code, plan review, and inspection activities related to construction such as commercial buildings, multi-family dwellings, one- and two-family dwellings, plumbing, private sewage systems, electrical and heating systems, elevators, electrical wiring, and amusement rides. The Safety and Buildings program also issues credentials for persons who perform these activities.

Under the DSPS request, the Department would maintain administration of the petroleum environmental cleanup fund award (PECFA) program, which administers review and payment of claims for a portion of the costs of cleanup of contamination from leaking petroleum product

storage tank systems, and cleanup at low- and medium-risk sites. DSPS would also maintain administration of the abandoned tank removal program, with base funding of \$100,000 SEG annually, which contracts for the removal of underground petroleum tanks if the tank is abandoned and the owner is unable to pay for the removal.

3. **TRANSFER DIESEL TRUCK IDLING REDUCTION GRANT PROGRAM TO DOA**

	Funding	Positions
SEG	- \$2,161,900	- 1.00

Request deletion of \$1,080,900 SEG in 2013-14 and \$1,081,000 SEG in 2014-15 and 1.0 SEG position annually from the petroleum inspection fund to reflect the transfer of the diesel truck idling reduction grant program to the Department of Administration State Energy Office. Deleted funding under DSPS includes \$1,000,000 annually for grants and \$80,900 in 2013-14 and \$81,000 in 2014-15 for the staff position. (The DOA budget request also proposed transfer of the program from DSPS to DOA. The proposed funding in DOA is shown in the summary of the DOA budget request.)

The grant program provides financial assistance to eligible freight motor carriers to purchase and install idling reduction technology. Idling reduction units provide heat, air conditioning, or electricity to the truck tractor while the truck is stationary, in order to reduce idling of the truck engine when the truck is parked. The main goals of the program are to help Wisconsin motor carriers reduce air pollution emissions and fuel consumption.

The program was created in 2005 Wisconsin Act 25, and is authorized to provide grants between July 1, 2006, and June 30, 2015. The program was administered by the Department of Commerce prior to 2011-12, and was transferred to DSPS when the Department of Commerce was repealed under 2011 Wisconsin Act 32. Eligible applicants under the program are common motor carriers, contract motor carriers, and private motor carriers that transport freight, are headquartered in Wisconsin, and own and operate the truck. Grants are used to pay up to 50% of the costs the applicant has incurred or will incur to purchase and install an idling reduction unit on a truck tractor that is owned and operated by the applicant, and that has a post-1998 diesel truck engine. Use of the idling reduction unit must result, in the aggregate, in a decrease in the emissions of one or more air contaminants from the truck tractor on which the idling unit is installed, or in a decrease in the use of energy by that truck tractor.

4. **TRANSFER INFORMATION TECHNOLOGY POSITIONS TO DOA**

	Funding	Positions
PR	- \$1,737,600	- 10.00

Request a decrease of \$868,800 annually, and a decrease of 10.0 positions, beginning in 2013-14 to reflect the transfer of certain information technology (IT) activities to the Division of Enterprise Technology (DET) in the Department of Administration (DOA) to fully implement a pilot project where DSPS staff are located and work directly with DET staff. These functions to be transferred include application development, IT infrastructure, and desktop support. To fully accomplish the intention of this item, an additional reduction of \$383,300 PR annually would be required to reflect the transfer of funding for 3.0 contracted IT positions from DSPS to DET.

DOA requested a corresponding increase of \$1,341,500 PR annually and 10.0 PR positions beginning in 2013-14, as shown in the summary of the DOA budget request.

5. ADMINISTRATIVE POSITION TRANSFERS AND COST REALLOCATION

	Funding	Positions
PR	\$2,083,200	0.00

Request \$1,041,600 annually to reflect the fiscal effect of transferring funding and 21.5 positions currently budgeted in a program revenue (PR) general program operations appropriation that supports professional regulation and administrative services to an appropriation that supports departmentwide administrative services on a PR-service basis. This item would consolidate funding for these services in a single appropriation, and permit DSPS to allocate costs of departmentwide administrative services (such as accounting, budgeting and human services) to all programs, based on the programs' proportional use of these services. If approved, funding for all departmentwide administrative services would be charged back to DSPS programs. The funding increase is the result of an increase in funding transferred within the agency to support these services -- funding that is "double counted" in the agency's budget.

6. UNCLASSIFIED POSITIONS

Request the following changes relating to position classifications for the agency.

Administrator, Division of Management Services. Convert 1.0 position that serves as the Administrator of the Division of Management Services from a classified position to an unclassified position, beginning in 2013-14. Increase from eight to nine the statutory limit on the number of unclassified division administrators for the agency.

Bureau Directors, Division Industry Services. Convert 1.0 position that serves as the Director of the Bureau of Environmental Services and 1.0 position that serves as the Director of Technical Services in the Division of Industry Services from classified positions to unclassified positions, beginning in 2013-14. Increase from 5.0 to 7.0 the statutory limit on the number of unclassified bureau directors for the agency.

State Budget System Adjustments. Modify the state budgeting system to increase by 3.0 the number of unclassified positions in the agency and to reduce by 3.0 the number of classified positions in the agency, beginning in 2013-14. The state budgeting system identifies the total number of classified and unclassified positions funded from each appropriation. Under the agency's request, the following positions would be reflected in the state budgeting system as unclassified positions: (a) 1.0 Administrator for the Division of Professional Credential Processing; (b) 1.0 Director of the Bureau of Field Services in the Division of Industry Services; and (c) 1.0 Director of the Bureau of Safety and Buildings in the Division of Policy Development. This item would not require a change in the statutory limit on unclassified positions in the agency.

Currently, the statutes authorize DSPS 16 unclassified positions. The state budget system identifies 15 unclassified positions that the agency has filled. The following table lists these positions.

**Department of Safety and Professional Services
Current Statutorily-Designated Unclassified Positions**

<u>No. of Positions</u>	<u>Position Title</u>	<u>Statutory References</u>
1.0	Secretary	15.05 (1)
1.0	Deputy Secretary	15.04 (2)
	Executive Assistant	15.05 (3)
8.0	Division Administrators	230.08(2)(e)(11m)
	(Includes 1.0 Chief Legal Counsel and 1.0 Communications Director)	230.08(4)
1.0	Executive Assistant	230.08(2)(fs)
<u>5.0</u>	Bureau Directors	230.08(2)(v)
16.0	Total	

Current State Budget System Listing of Filled Unclassified Positions

1.0	Secretary
1.0	Deputy Secretary
1.0	Executive Assistant
1.0	Chief Legal Counsel
1.0	Communications Director
1.0	Administrator, Division of Policy Development
1.0	Administrator, Division of Legal Services and Compliance
1.0	Administrator, Division of Professional Credential Processing
1.0	Administrator, Division of Industry Services
1.0	Policy Director, Division of Policy Development
1.0	Deputy Administrator, Division of Industry Services
1.0	Bureau Director, Bureau of Field Services
1.0	Bureau Director, Bureau of Safety and Buildings
1.0	Executive Director, Division of Policy Development
<u>1.0</u>	Executive Director, Division of Policy Development
15.0	Total

7. PROGRAM REVENUE TRANSFERS TO GENERAL FUND

GPR-REV	\$12,464,200
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Request transfers of \$6,132,100 annually from revenues received by program revenue appropriation accounts to the general fund, as shown in the following table. 2011 Act 32 requires DSPS to transfer \$3,520,800 in each year of the 2013-15 biennium from unencumbered balances of program revenue appropriations to the general fund.

<u>Appropriation</u>	<u>Annual Amount</u>
Professional Regulation - General operations	\$3,935,300
Professional Regulation - Examinations	92,600
Professional Regulation - Medical examining board	348,600
Safety and Buildings general operations	<u>1,855,600</u>
Total	\$6,232,100

The Safety and Buildings program administers building code, plan review, and inspection activities related to construction such as commercial buildings, multi-family dwellings, one- and two-family dwellings, plumbing, private sewage systems, electrical and heating systems, elevators, electrical wiring, and amusement rides. The program also issues credentials for persons who perform these activities. The program receives revenues from plan review, inspection, and credentialing activities.

The Professional Regulation program supports the activities of multiple credentialing boards, which regulate and license various professions and businesses in Wisconsin. The program generates revenues through fees for receiving or renewing a credential, examination fees, and other fees and charges. Prior to the 2011-13 biennium, these activities were conducted by the Department of Regulation and Licensing.